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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

MESA AIR GROUP, INC., *et al.*,

Debtors.¹

Chapter 11

Case No. 10-10018 (MG)

(Jointly Administered)

NOTICE OF DE MINIMIS ASSET SALE

PLEASE TAKE NOTICE that on January 5, 2010, Mesa Air Group, Inc. and certain of its affiliates, as debtors and debtors in possession (collectively, the “Debtors”), filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”).

PLEASE TAKE FURTHER NOTICE, that on March 1, 2010, the United States Bankruptcy Court for the Southern District of New York (the “Court”) entered the *Order Approving Procedures for the Sale of De Minimis Assets, Free and Clear of All Liens, Claims, and Interests* [Docket No. 371] (the “Sale Order”), whereby the Court authorized the Debtors to

¹ The Debtors are: Mesa Air Group, Inc. (2351); Mesa Air New York, Inc. (3457); Mesa In-Flight, Inc. (9110); Freedom Airlines, Inc. (9364); Mesa Airlines, Inc. (4800); MPD, Inc. (7849); Ritz Hotel Management Corp. (7688); Regional Aircraft Services, Inc. (1911); Air Midwest, Inc. (6610); Mesa Air Group Airline Inventory Management, LLC (2015); Nilchi, Inc. (5531); and Patar, Inc. (1653).

sell or transfer certain assets (collectively, the “De Minimis Assets”) pursuant to the procedures set forth in the Sale Order.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Sale Order, the Debtors are hereby giving notice to those parties entitled to notice (the “Notice Parties”) of the sale of the following De Minimis Asset:

- a. Description of the De Minimis Asset: One (1) Beech Bonanza Aircraft, Model No. A36, Serial No. E-2755, FAA Registration No. 8131H with approximately 19,100 hours on airframe (the “Aircraft”), as described in the Warranty Bill of Sale (the “Agreement”), attached as **Exhibit A**.
- b. Aggregate Purchase Price: \$85,000.00 (the “Purchase Price”).
- c. Commission: None.
- d. Seller: MPD, Inc.
- e. Purchaser: Bret S. Kelly.
- f. Liens: The Debtors are unaware of any known liens encumbering the Aircraft.
- g. Governing Purchase Agreement(s): Agreement (attached as **Exhibit A** hereto).

PLEASE TAKE FURTHER NOTICE that, pursuant to the Sale Order, any Notice Party may object to the proposed sale within five (5) business days of service of this Notice by filing a written objection (the “Objection”) with the Court at the address shown below:

United States Bankruptcy Court For the Southern District of New York Clerk of the Court One Bowling Green New York, NY 10004-1408

PLEASE TAKE FURTHER NOTICE that, pursuant to the Sale Order, in addition to filing the Objection with the Court, any Notice Party wishing to object must also serve such Objection on counsel for the Debtors at the mailing or electronic mailing addresses shown below, so that the Objection is actually received on or before the fifth (5th) business day after the date of service of this Notice:

Pachulski Stang Ziehl & Jones LLP
150 California Street, 15th Floor
San Francisco, CA 94111
Attn: Debra Grassgreen
Email: dgrassgreen@pszjlaw.com

-and-

Pachulski Stang Ziehl & Jones LLP
780 Third Avenue, 36th Floor
New York, NY 10017
Attn: Maria A. Bove
Email: mbove@pszjlaw.com

If a written objection is filed with the Court within such five business day period and cannot be resolved, the relevant De Minimis Asset shall only be sold, transferred or abandoned upon further order of the Court or resolution of the objection by the parties in question.

Dated: March 26, 2010
New York, New York

PACHULSKI STANG ZIEHL & JONES LLP

/s/ Maria A. Bove

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Attorneys for Debtors
and Debtors in Possession

EXHIBIT A

Warranty Bill of Sale

Warranty Bill of Sale

For valuable consideration, MPD, Inc., d/b/a San Juan Pilot Training ("Seller") owner of the full legal and beneficial title of the aircraft described as follows:

One Beech Bonanza A-36 Aircraft ("Aircraft") bearing:

Manufacturer's Serial No: E-2755

FAA Registration No: N8131H

does on this ____ day of March 2010 hereby sell, grant, transfer, and deliver all rights, title and interest in and to such aircraft unto Bret Shane Kelly, an individual, located at 3101 N Mesa Verde, Farmington, NM 87401.

By virtue of the execution of this bill of sale, Seller hereby divests itself of all its right, title and interest of any kind in the aircraft, in favor of Buyer.

THIS AIRCRAFT IS SOLD "AS IS, WHERE IS." THERE ARE NO WARRANTIES, EITHER EXPRESS OR IMPLIED WITH RESPECT TO MERCHANTABILITY OR FITNESS APPLICABLE TO THE AIRCRAFT OR ANY EQUIPMENT APPLICABLE THERETO, MADE BY SELLER. BUYER AGREES THAT NO WARRANTY HAS BEEN EXPRESSED OR IMPLIED BY SELLER AND THAT BUYER HAS INSPECTED THE AIRCRAFT AND UNDERSTANDING THAT IT IS BEING PURCHASED "AS IS, WHERE IS." BUYER HEREBY EXPRESSLY WAIVES ANY CLAIM FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING DAMAGES RESULTING IN PERSONAL INJURY AGAINST SELLER.

Buyer expressly assumes all risks of loss or damage to the Aircraft after Buyer takes delivery. Buyer will take delivery of the Aircraft at Seller's facility.

This Warranty Bill of Sale, and the rights and obligations of the parties hereunder, shall in all respects be governed by, and construed and interpreted in accordance with, the laws of the state of Arizona, including all matters of construction, validity and performance.

Buyer:

Seller:

MPD, Inc.

Bret S. Kelly
Individual

Michael Lotz
President